

November 10, 2016

Commissioner Mignon Clyburn
445 12th Street, SW
Washington, DC 20554

Dear Commissioner Clyburn:

We write you with great urgency to express our support for the advancement of a light regulatory approach in the Business Data Services (BDS) market that will promote continued investment in Ethernet/broadband networks and expansion of available internet services deeper into rural America. It is our understanding, based on recent public reports, that the Commission is expected to make a decision later this month on new rules related to its proceeding: *Business Data Services in an Internet Protocol Environment*, WC Docket. No. 16-143.¹

We recognize the complex nature of this proceeding and the myriad of competing interests that you must consider as you weigh your options and, ultimately, make a decision that you believe will be in the best interest of consumers, the business community and the future of America's broadband ecosystem. We urge the Federal Communications Commission ("the Commission") to approve new rules that do not saddle price regulations on new entrants in the BDS marketplace, empowering them to invest in Ethernet/broadband networks and fiercely compete with incumbent telecommunications companies for commercial subscribers.

A largely free market approach for new entrants is paramount to promoting competition and expanded choices for affordable high-speed Internet services for local businesses throughout the country.

The billions of dollars being invested in Ethernet/broadband services to provide business data services to America's local businesses is having a transformative effect on the marketplace. The infusion of robust competition in the BDS market has effectively lowered prices, created more choices for commercial internet services and resulted in significant investment in America's digital infrastructure.² Any price regulation of new entrants in the BDS marketplace will significantly curtail needed investment in America's digital infrastructure. The Commission has an opportunity through this proceeding to narrow the gap between high-speed internet have and have nots, especially for small businesses in rural America.

¹ *Business Data Services and Internet Protocol Environment*, Tariff Investigation Order and Further Notice of Proposed Rulemaking, WC Docket No. 16-143, FCC 16-54, (rel. May 2, 2016)

² Larry Downes, *U.S. Digital Infrastructure Needs More Private Sector Investment*, Harvard Business Review (October 14, 2016)

Small business owners' accessibility to lower prices and more choices for business data services creates robust competition, while also lowering their operating expenses and strengthening their ability to compete in today's global digital economy. At bottom, a light regulatory approach in the BDS market that promotes more private sector investment in our Nation's digital infrastructure will serve as a win for U.S. small businesses and consumers.

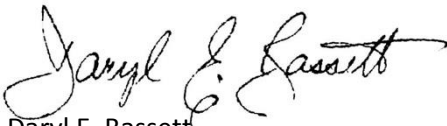
We appreciate your leadership on this critically important issue and look forward to your continued support of regulations and policies that enable businesses of all sizes to flourish, while also incentivizing all broadband service providers to invest in America's digital infrastructure well into the future. This is critical to revolutionizing our broadband ecosystem and creating competition, choice and lower prices in the BDS marketplace.

Thank you for your time, attention and consideration to this matter.

Sincerely,



Matthew M. Carter, III
Former State Regulator
Florida Public Service Commission



Daryl E. Bassett
Former State Regulator
Arkansas Public Service Commission

cc:

FCC Chairman Tom Wheeler
FCC Commissioner Ajit Pai
FCC Commissioner Jessica Rosenworcel
FCC Commissioner Michael O'Rielly
Ms. Marlene Dortch, Secretary, FCC